

About your 2007 annual statement

The Board and staff of the Massachusetts Teachers' Retirement System are pleased to present you with a statement of your MTRS account as of December 31, 2007. Be sure to review all of the personal and financial data on the front of your statement as well as the explanatory information on the back.

If you need to update or correct any of this information, please refer to the sample statement below for instructions on how to report specific changes (by phone or e-mail).

As always, we look forward to providing you with many years of quality service!

How to read your statement

Social Security number

For your protection, only the last four digits appear. Please report any updates directly to the MTRS by phone, not e-mail (*see below*).

Name, address and date of birth: Please report any updates to your payroll officer—not the MTRS—as we receive this information from your employer.

Sex, veteran status, marital status, spouse's date of birth, number of dependent children: Please notify us of any updates by phone or e-mail (*see below*).

Beneficiary information: Be sure that you have designated a beneficiary of your MTRS account. As necessary, update this information by downloading a *Beneficiary Designation—Active Member* form from our website. Go to mass.gov/mtrs > Downloadable forms.

Total balance: As an active, contributing member, you do not have access to these funds; however, depending on what you do in your career and how long you live, you or your survivor will generally receive all or a portion of your contributions and interest (see the back of your statement for additional information).

Interest: Be aware of the limitations on receiving your interest in the event that you leave active service and request a refund of your account. Please see *Interest limitations* on the back of your statement and this sheet.

Questions? Call 617-679-6895 or send an e-mail to annstmt@trb.state.ma.us.

For more information on your annuity savings account, benefits and MTRS services, please visit mass.gov/mtrs. While you're there, register for MTRS M@il and we'll send you periodic e-mail updates—it's easy!

Thank you!

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MTRS
MASSACHUSETTS TEACHERS'
RETIREMENT SYSTEM

It's your account: Know your options if you leave service, and keep your beneficiary current

If you leave MTRS service prior to retirement, consider your options regarding your account

If you leave teaching before retiring from the MTRS, you will need to decide what you want to do with your annuity savings account:

- ☐ receive a retirement allowance, if eligible,
- ☐ take a refund of your annuity savings account, or
- ☐ leave your funds on account with the MTRS until some future date or event.

If, at the time you leave service, you are under age 55 and you have 10 years of creditable service, you may leave your funds on account until you attain age 55, at which time you may then apply for a retirement allowance.

If you leave service and wish to leave your funds on account, you do not need to notify us that this is what you are doing. We will simply keep your funds on account and continue to send you annual statements that show your balance and any activity, such as the addition of interest.

Please note, however, that although your statement will reflect interest each year, you may not be eligible to receive all of the accrued interest if and when you later apply for a refund (see *Interest limitations*, below).

If, however, you do not take a refund but later return to a position which requires membership in a Massachusetts contributory retirement system, all interest reported on your statements will be credited. Additionally, since you left your money on account, you will be entitled to your "old" contribution rate (the contribution rate in effect at the time you left service) in your new position.

Inactive members: Has it been more than two years since your last payroll-deducted contribution to your MTRS account? If so, your account has stopped accruing interest since the two-year anniversary of your employment termination date, and you are subject to the interest limitations described below.

Interest limitations: Please note that, if you stop teaching and leave your retirement funds on deposit, you will only receive interest on your account for two years unless you once again become an active member of the system or you are eligible to retire without additional active service. Additionally, if you became a member after January 1, 1984, your refund will include a percentage of interest based on your amount of creditable service, as follows:

Amount of creditable service	Interest refunded
Less than 5 years	None
At least 5 years, but less than 10 years	50%
10 or more years	100%

Ensure that your wishes are followed: Keep your beneficiary designation up to date

It is very important that you designate a beneficiary, or beneficiaries, for your MTRS account while you are an active member. (Note that, when you retire, your "active member" beneficiary designation will end, and, if you select Option B or C, you will be required to designate your "retired member" beneficiary.)

Reminder: Update your beneficiary designation in light of life events. Review your designation if and when:



- ☐ you marry or divorce;
- ☐ your beneficiary marries or divorces;
- ☐ your beneficiary dies;
- ☐ your beneficiary changes his or her name; or
- ☐ you have a child.

The type of benefit that your survivors receive depends upon their relationship to you as well as what type of beneficiary you specified and who you named as a beneficiary on your MTRS *Beneficiary Designation* form.

- ☐ **A lump-sum beneficiary** will receive your accumulated contributions and interest in a single, lump-sum amount. There are no restrictions on who may be a lump-sum beneficiary and you may name more than one person or entity and you may designate the percentage of the benefit that each is to receive. You may also name contingent beneficiaries who will be paid in the event that the primary lump-sum beneficiary is not alive at the time of your death.
- ☐ **A member-survivor beneficiary** will receive a monthly allowance instead of a lump-sum payment, if, at the time of your death, you have accrued at least two years of creditable service. A member-survivor beneficiary must be your parent, sibling, child, spouse or former spouse who has not remarried. You may designate only one member-survivor beneficiary.

Note: Pursuant to Massachusetts law, if you are married, **your surviving spouse and/or the guardian of your dependent children may have a superior legal right to any benefits awarded as a result of your death**, regardless of whom you named as a beneficiary. If you need more information about naming a beneficiary, please contact us.